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SIPDIS

SENSITIVE

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SUBJECT: PANAMA VIEWS FROM THE FIELD: INDIGENOUS
DEVELOPMENT AND IAF PROGRAMS

REF: PANAMA 00914

SUMMARY

1. (SBU) PolOff recently traveled to several remote indigenous areas of Panama, which are among the least accessible, least developed, and poorest parts of the country. With little economy to speak of aside from subsistence agriculture, indigenous groups focus on capturing development grants. PolOff accompanied Inter-American Foundation (IAF) Representative John Reed and IAF Program Monitor Alexis Pino on their visit to four IAF grantees working with three indigenous groups: the Ngobe, the Kuna, and the Embera. Whether because of dispersion, partisanship, or jealousy, each indigenous group presents a development challenge. The IAF currently administers \$2 million in grant projects in Panama through nine different projects (see annex A). 44 of Peace Corps' 132 volunteers serve in indigenous areas in Panama (see annex B). End Summary.

NGOBE-BUGLE COMARCA: DISPERSION AFFECTS ACCESS

2. (SBU) About five hours west of Panama City, past numerous small towns with their Chinese-run local stores, PolOff arrived in San Felix, principal administrative seat of the indigenous Ngobe-Bugle comarca (reservation). Located in Chiriqui province, San Felix is one of the few towns of any size with road access and electricity leading into the comarca. Because San Felix has electricity, the coffee cooperative benefiting from the IAF project can use its coffee roaster and bag sealer. To actually visit one coffee grower, PolOff struggled by Toyota Land Cruiser vehicle up a mountain on a steep, muddy, and rocky road for over an hour. One of the 29 Peace Corps volunteers in the comarca also worked with the coffee cooperative.

3. (SBU) Working with in the Ngobe-Bugle comarca is a challenge because project specialists and the Ngobes themselves need to travel long distances for instruction. The approximately 126,000 Ngobe-Bugle comarca residents are dispersed throughout the 6,673 mountainous square kilometers of the comarca (8.8% of Panama's national territory) and neighbors are far from within shouting distance. Although a Ngobe crafts group runs a \$50,000 craft center off the highway about twenty minutes from San Felix, one Ngobe woman approached PolOff about creating a craft center in the comarca. One accomplished Ngobe artisan said he travels a full day on foot through the comarca just to reach the current craft center. The route from his house to the craft center is too rough for cars or bicycles, even if he had one.

KUNAS YALA COMARCA: PARTISANSHIP

4. (SBU) A week later, after about an hour flight northeast of Panama City in a puddle jumper, PolOff landed on a postage stamp with a landing strip that is the Kuna island of Porvenir. The Kuna have 49 communities, 46 of them on tiny Caribbean islands surrounded by sparkling turquoise water that are sandbars with a palm tree. But they're not deserted. Imagine Gilligan's Island if a modern cruise liner had run aground. Every bit of space on the islands is occupied by the comarca's 36,000 inhabitants and their thatched huts. Despite having a strip of comarcial land

approximately a hundred miles long along the malarial Caribbean coast (it's not called the Mosquito Coast for nothing), the Kuna live all together. Like Gilligan's Island, about 15 minutes after the "castaways" presented a united front to PolOff, the "Howells" pulled PolOff aside to advocate their own political party and narrow interests. A Kuna observer present in the comarca in the lead up to the May 2004 national elections confirmed this strong Kuna political partisanship.

15. (SBU) The highly organized and communal Kuna maintain their culture through traditional governing structures, such as the General Congress and the Cultural Congress. Both of these traditional bodies have their own NGOs to facilitate donors. The IAF museum project works with one of these NGOs which also receives technical assistance from the Smithsonian's Museum of the American Indian. Peace Corps formalized its relationship with the Kuna in an agreement signed in 2003, and Peace Corps had 11 volunteers working with the Kuna Yala in FY 2004.

COMMENT

16. (SBU) Although the Cultural Congress and General Congress are meant to be nonpartisan, individual members often have their own party affiliations. Cultural Congress members lean toward the governing PRD, a left-center party. In the Kuna's open and communal society, these affiliations are well known and can lead to allegations that the Congress's NGO is favoring party members in project implementation. Some members of the Cultural Congress's NGO are also members of the Cultural Congress. Members of the Cultural Congress also confirmed that the two traditional Congresses coordinate only minimally with the two (non-PRD) national legislators from the comarca. The Cultural Congress members explained that Kuna communities view the legislators merely as patrons for sponsoring local projects, not as advocates for the community as a whole. This partisanship and parochialism make a voting block among all indigenous legislators less likely because Kuna legislators and Ngobe legislators are from different political parties and serve different communities.

EMBERA IN CHAGRES: SUCCESS BREEDS JEALOUSY

17. (SBU) A convenient hour-ride north of Panama City in birders' paradise Chagres National Park, 300 Embera have hit the development jackpot, leaving jealous non-Embera in their wake. After a twenty-minute trip through the lush, tranquil park by motorized canoe guided by two young Embera men dressed in tourist-freindly body paint and brightly colored loincloths, the people of the village Embera Drua greeted PolOff - in costume and ready to put on a show. The men played traditional Embera music on wooden flutes. The women, clad in colorful skirts, torsos bare save for body paint and jewelry, waved. Embera men spoke to PolOff in good Spanish and the women taught PolOff some Embera phrases. When cruise ship excursions visit Embera Drua, the villagers told PolOff, the village's cut is \$15 a head, half of it profit. The Embera Drua also sell handicrafts to visitors at good prices, so much so that Embera relatives in the Darien now supply the group with many of the crafts for sale in the village. Because some visitors want to give money directly to Embera Drua children, the Embera Drua created a foundation to use the money for community projects. And Embera Drua leaders said that seven of ten of their children going to secondary school are on scholarships with Youth Ministry in Panama City. Six more children will be on scholarship next year. A Peace Corps volunteer worked in Embera Drua recently and two Peace Corps volunteers worked with the Embera in Chagres in FY 2004.

18. (SBU) The Embera Drua have disproportionate success because they are easily accessible to tourists and technical assistance (such as the IAF funded tourism project) and hold a near-monopoly on the "indigenous cultural experience" in idyllic surroundings. The IAF Embera project involves 300 people in three villages who settled within Chagres National Park in the 1970s, before new settlement was banned to protect the Canal watershed. Most of the other 20,000 Emberas live in more remote areas east of Panama City. One NGO worker in Chagres not associated with the IAF project told PolOff that non-indigenous Panamanian colonists are jealous of the amount of attention and help the Embera receive in Chagres, especially because the colonists far outnumber the Embera.

COMMENT

19. (SBU) Jealousy remains a source of conflict between non-indigenous colonists (i.e., traditional Latin subsistence farmers) and the Embera given the Embera Drua's obvious economic success. Colonist tensions with Embera-Wounan over land, not tourism, led to violence in August with Embera-Wounan subsistence farmers near Chimán, a remote town about 150 kilometers to the east of both Chagres and Panama City.

ANNEX A: CURRENT IAF PROGRAMS IN PANAMA

10. (SBU) The IAF currently monitors \$ 2 million in grants spread over 9 projects in Panama. The IAF plan for Panama focuses on ethnic groups and environmental issues. IAF grants for Panama average \$230,000 per project and generally last two or three years.

GRANTEES VISITED -----	IAF FUNDS	TOTAL PROJECT	DURATION
KOSKUN KUNA (Kuna)	\$89,325	\$127,225	1 Year
FUNDAMUJER	\$327,717	\$835,222	4.5 Yrs
APANAB (Ngobe)	\$157,782	\$276,848	3 Yrs
AFOTUR (Embera)	\$217,500	\$356,895	2 Yrs

RECENT GRANTEES

FUDIS	\$294,200	\$622,200	2 Yrs
PROVERDES	\$225,000	\$409,380	3 Yrs
ADEMIP	\$189,800	\$279,950	3 Yrs

OTHER GRANTEES

PRODES	\$286,900	\$1,048,207	3 Yrs
IDAPEHM	\$278,505	\$610,226	2 Yrs

TOTAL	\$2,066,729	\$4,566,153	
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ANNEX B: PEACE CORPS AND THE INDIGENOUS

11. (SBU) In FY 2004, the Peace Corps had 44 of its 132 volunteers (PCVs) working in indigenous areas in Panama, with resources totaling \$676,700.

INDIGENOUS AREA -----	NO. OF PCVs	PRO RATA BUDGET SHARE	OTHER GRANTS
NGOBE-BUGLE	29	\$435,000	\$13,100
KUNA-YALA	11	\$165,000	\$ 600
EMBERA IN CHAGRES	2	\$ 30,000	\$ 0
EMBERA NON-CHAGRES	2	\$ 30,000	\$ 3,000
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	44	\$660,000	\$16,700

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